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Spotlight

ON FOREIGN MARKETING



TO U.S. AGRICULTURAL ATTACHÉS AND FAS STAFF MEMBERS

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AN INTERNATIONAL ANIMAL FEED SYMPOSIUM, first of its kind, will be held in Washington, May 4-6. Sponsored by USDA and the Soybean Council of America, in cooperation with other private organizations, the conference is part of a market development project designed to promote greater use of U. S. feedstuffs in Western Europe. Some of the objectives of the symposium are to acquaint the European delegates with research being done in this country on feed production, processing and utilization, feed marketing practices, and feed quality controls.

Participants will include experts in feeding and animal nutrition from countries in Western and Southern Europe and their counterparts from the U. S. Foreign delegates were selected by agricultural attaches. The conference will be followed by a field trip through the Midwest, including visits to Land Grant institutions, Federal and private laboratories, and the grain marketing exchange in Chicago.

COLOMBIA HAS ITS OWN BETTY CROCKER to help promote better nutritional habits through the local press. "Ana Quintero," Miss Crocker's counterpart, is, in reality, Miss Joelline Vannoy, head nutritionist for the Miller's National Federation educational project in Colombia. Henry Hopp, U. S. agricultural attache, reports from Bogota that the idea is catching on. "Ana Quintero" is joining the parade of other U. S. promotional innovations, such as the "Maid of Cotton," and the "Dairy Princess," which have been adopted in many countries to help promote U. S. farm products. Her column is now a regular feature in a leading Colombian newspaper.

FIRST DELIVERY OF U. S. POULTRY IN TURKEY WELL RECEIVED. An initial shipment of 1,690 tons of frozen, ready-to-cook, chickens and turkeys made a hit with Turkish housewives. Prices asked by stores in Istanbul and Ankara averaged 6 lire per pound, or about 30 U. S. cents. A government subsidy kept prices down to a level of U. S. supermarket weekend specials.

WEST GERMANY'S POULTRY CONSUMPTION IS GAINING. A 20 percent increase from 1957 to 1958, accompanied by only a slight increase in local poultry production, brightens prospects for U. S. poultry exports to the extent additional dollars are made available. While stewing chickens continued to make up the bulk of West German purchases, demand for broilers and turkeys increased sharply during the last half of 1958.

"SELF SERVICE" MERCHANDISING AND U. S. FOODS are becoming strongly linked abroad. Throughout most of Europe and Latin America, self-service retail stores are just beginning to become a significant factor in food merchandising. Stores of this type help U. S. sell increasing quantities of processed agricultural products on a large scale. They provide an excellent outlet for canned and fresh foodstuffs as well as frozen commodities such as "convenience foods" and poultry products. In addition to prepared and specialty foods many U. S. staple foods also find outlet in self-service stores abroad. The usual "Mama and Papa" stores do not handle imported items, nor do they cater to a clientele that wants such items.

As interest in "self-service" merchandising gains in popularity throughout the world, attaches and marketing specialists should encourage the adoption of the system. Inquiries received here on the subject will be channeled to the proper organization.

"WHERE CAN WE BUY U. S. FEEDS?" was the main question asked by visitors attending the recent USDA feed grains exhibit in Verona, Italy. Thousands requested the latest technical and price information, and copies of talks by U. S. representatives at a feed conference sponsored by the fair.

"As its plans develop, Italy will need to import increasing amounts of feed to meet its needs," Clayton E. Whipple, U. S. agricultural attache, said. He stated that "Italy, a top importer of U. S. soybean meal, took about 60,000 tons in 1957-58. This was more than half of all U. S. soybean meal exports to Europe."

The Verona exhibit also featured "The Champ," Ralston-Purina's giant reproduction of a Hereford. It proved to be a good attention getter.

THE FINAL REPORT ON THE SIGNUP FOR CHOICE (B) UPLAND COTTON farm allotments showed an increase of 1,017,830 acres over the initial national acreage allotment of 16,310,000 acres available for allotment in 1959. The total acreage available for all farm allotments for 1959 upland cotton crop now stands at 17,327,830 acres.

AMONG EFFORTS TO IMPROVE MARKETING OF U. S. WHEAT the Department recently revised its moisture charts used with the Weston Moisture Meter to make readings of moisture content of all soft red winter wheat and of white wheat grown in Eastern areas of the U. S.

The new conversion chart is said to be more accurate than the previous system. Use of the new "Weston Moisture Meter" will start next June 15.

This change in moisture reading should be of particular interest to buyers of U. S. wheat purchased in humid areas. For details see USDA release 965-59, which has been sent to attaches.

GREAT PLAINS WHEAT GROWERS have added a new member to the European promotion staff in Rotterdam. He is Earl E. Lester of Edison, Nebraska. He will assist Harvey Bross, who has been in Europe since late last year. The Great Plains group is now headed by former Congressman Clifford R. Hope.

CCC MONTHLY SALES LIST FOR APRIL 1959: Butter, nonfat dry milk, cheddar cheese, cottonseed oil, cotton (upland and extra long staple), peanuts, wheat, rice (rough and milled), corn, oats, barley, rye, grain sorghums, dry edible beans, flaxseed, soybeans, burley tobacco, gum rosin, gum turpentine, and tung oil.

Principal changes in the list for April are the addition of shelled peanuts for unrestricted domestic use, and a shift to a 1959 marketing year basis for pricing dairy products for unrestricted domestic use.

All commodities currently offered for sale by CCC, plus tobacco from CCC loan stocks, are eligible for export sale under the CCC Export Credit Sales program. The following commodities are currently eligible for barter: Cotton, tobacco, rice, (except California Pearl), wheat, corn, oats, barley, sorghum grain, soybeans, butter, cheddar cheese, and nonfat dry milk.

Interest rates per annum under the CCC Export Credit Sales program for April 1959 are 4 percent for periods up to six months, 4-1/2 percent for periods from over six and up to 18 months, and 5 percent for periods from over 18 months up to a maximum of 36 months.

CCC TO CRUSH FLAXSEED. In order to relieve a tight storage situation in the Northern Great Plains, CCC will begin crushing a portion of the 14 million bushels of flaxseed acquired under the 1958 price support program. CCC will price the flaxseed at the 1958 price support rate and processors will submit competitive bids to CCC offering stated quantities of linseed oil. Processors may deliver the oil at accepted prices. No sales program has been announced for the oil. This represents a departure from the method of handling CCC flaxseed inventory over the past four years, as the flaxseed was then offered for sale for domestic crushing or export sale.

COLOMBIA LIFTS IMPORT BAN ON U. S. POULTRY BREEDING STOCK in an effort to help bring about lower prices to consumers. At the present time the price of relatively low quality dressed chickens is 60 U. S. cents; small eggs are selling at 60 U. S. cents per dozen. The lifting of import restrictions was brought about through joint effort of the Colombian Government, the local poultry industry, and USDA representatives.

RECOMBINED MILK AND SOYBEAN MEAL will be featured at the FAS exhibit in Madrid, May 23 - June 23. The milk recombining exhibit is designed to help stimulate a future market for U. S. dairy products in Spain. Samples of milk and ice cream will be given to the public.

A conveyor belt display will show the value of scientific feeding in livestock production, with emphasis on the part soybean meal plays in balanced feeds. This part of the exhibit will be demountable so that it may be used in other locations. First re-use is scheduled at the International Trade Fair in Thessalonica, Greece, September 1-22.

A SPECIAL SUPPLEMENT on "Sampling and Inspection Methods Used in Grading Grain Under the U. S. Grain Standards Act" is attached to this issue.

TABLE I, GUIDE TO COMMERCIAL SALES

Commodity	Unit	Grade, Type or Variety	Location	Latest Price Week of 4/6/59	Price Year Earlier
Wheat <u>1/</u>	Bushel	#2 H. W.	Galveston	\$2.36-2.48	\$2.49-2.59
" <u>2/</u>	"	#1 S. W.	Portland	2.02-2.03	2.22-2.24
" <u>3/</u>	"	#2 S. R. W.	Baltimore	2.26	2.45-2.46
Barley <u>4/</u>	"	#3 Feed	Baltimore	1.3325	--
"	"	"	New Orleans	1.3325	--
"	"	#2 Western	San Francisco	1.1850	--
Corn <u>4/</u>	"	#2 Yellow	Baltimore	1.4575	--
Grain sorghums <u>4/</u>	Cwt.	#2 Yellow Milo	Gulf	2.48	--
Oats <u>4/</u>	Bushel	#2 White	Baltimore	.8525	--
"	"	#2 White	New Orleans	.8525	--
Small Red	Cwt.	#1	West Coast	7.25	--
Cottonseed Oil	Pound	B.P.S.Y.	May Fut. N.Y.	.1327	.1577
Soybean Oil	"	Refined	New York	.1150	.1388
Cottonseed Oil	"	Crude	Valley	.1100-.1112	.1350
Soybean Oil	Pound	Crude	Decatur, Ill.	.9250	.1075-.1088
Linseed Oil	"	Raw	Minneapolis	.1250	.1430
Lard	"	Refined 50#tin	Chicago	.1100	.1400
Tallow	"	Prime Inedible	Chicago-FOB	.0675	.07375
Greases	"	Choice White	" "	.06875	.07625
Soybeans	Bushel	#1	Chicago	2.30-2.31	2.31
Cottonseed Meal	Sh. Tn.	41% Bagged	Memphis	65.50	63.00
Soybean Meal	" "	44% "	Decatur	61.00	61.50
Milk Evaporated	Case	48-14-1/2 oz.	Pac. Cst. Mkts.	6.20-6.60	6.10-6.60
Eggs, Shell	Doz. Med.	Mixed Colors	New York	25.00-26.00	37.50-38.00
Eggs, Dried	Pound	Whole	New York	.95-1.06	1.17-1.25
Beef Trimmings	"	75-85% lean froz.	Chicago	.3500	.3850
Beef Hearts	"	Regular frozen	"	.2100	.2850
Beef Livers	"	" "	"	.2150	.3450
Pork trimmings	"	" "	"	.1500	.2500
Chicken, R. C.	"	Gr. A Broilers	New York	28.00-31.00	31.50-35.00
Turkey, R. C.	"	Gr. A Beltsville	" "	36.50-39.00	45.00-46.50
Canned Apricots	Doz. #2-1/2	Choice Halves	FOB-Calif.	3.80-5	3.20
Canned Peaches	" "	" "	" "	2.90	2.45
Canned Pears	" "	" "	" "	3.50	3.25
Grapefruit Secs.	Doz. #303	Fancy, Lt. syrup	FOB-Florida	1.875	1.775
Orange Juice	Doz. 46 oz.	Sweetened	" "	4.25	3.00
Oranges, Fresh	Std. Ctn.	Size 163	FOB-Calif.	1.88	--
Raisins	Lb. bulk	Natl. Thompson	FAS-Calif.	.27	.19
Prunes	Pound	50-60	" "	.235	.15-.155
Lemons, Fresh	Std. Ctn.	180	FOB-Calif.	2.73	2.76
Apples	Box	138's fcy. w.sap.	FOB-Washington	2.70-80	3.15-25

1/ Export payment all destinations except Latin America and West Indies, \$.60; to Latin America and West Indies, \$.56. 2/ Export payment - all destinations, \$.44. 3/ Export payment - all destinations, \$.60. 4/ Export payment accepted by CCC for April - May shipment; barley, \$.15; corn, \$.12; grain sorghums, \$.48; oats, \$.11.

TABLE II, CCC PORT PRICES FOR EXPORT

Commodity	Unit	Grade, Type or Variety	Port Location	Latest Price	Date of Sales 1959
Butter	Pound		Any U.S. Port	37.0(fixed)	April
Milk	"	Spray	" " "	7.0 "	"
Cheese	"	Cheddar	" " "	35.0 "	"
Cotton, Upland	"	Upland	Average price, ex warehouse point of sale	28.43(average) price middling 1 " at average location)	March 30
Tung Oil	Gal.	Fed. Spec.	Chatanooga-Memphis	15.5-16.3	April 14
Turpentine	Gal.	Sp.g. .860-.875	Yard Florida-Ga.	51.0	April 7
Rosin	Cwt. U.S.	WW-WG-KN.M	" " "	\$8.40-\$7.75	April 14

SAMPLING AND INSPECTION METHODS USED IN GRADING
GRAIN UNDER THE U. S. GRAIN STANDARDS ACT

Almost all wheat exported from the U. S. is sold on the basis of Federal grade. Inspection and grading takes place during the course of loading aboard ships. Authority is contained in the U. S. Grain Standards Act. Briefly, this Act provides for the establishment of grain standards, the licensing of inspectors to apply the standards and the handling of appeals from the licensed inspectors' grades when either party in a transaction so specifies. Listed below are inspection procedures followed for bulk grain as loaded on ships for export.

EXAMINATION OF HOLDS OF VESSELS. Prior to loading, an examination is made of the holds of vessels to determine if they are in suitable condition to receive grain. This includes an observation for cleanliness, objectionable odors, and insect infestation. No inspection shall be made of any grain if the holds into which it is to be loaded are in such condition as to contaminate or lower the grade.

SAMPLING. A representative sample is taken at frequent intervals from the loading spout or other convenient place along the running stream as the grain flows from the elevator into the holds. Most of the export samples are obtained by use of the "pelican" or by a "mechanical belt sampler."

The "pelican" is a bill-shaped container with an attached handle six to eight feet in length. It is used to take a sample by cutting a cross-section of the stream of grain as it pours from the spout.

The "mechanical belt sampler" is for use in obtaining a sample of grain from the belt carrying the grain to the ship's holds. It operates only when the belt is in motion and consists of several chain drives with small dip buckets placed at regular intervals. These small buckets pick up samples across the width of the belt and dump them into a sample container. The mechanical sampler is attended constantly by a USDA licensed inspector.

Samples taken by either of the methods mentioned are given a preliminary examination immediately at the point of sampling to determine if the over-all quality and condition of grain being loaded is uniform and is free of insect infestation.

GRADING. At regular intervals throughout the loading of a ship, samples are taken to a nearby laboratory where they are examined by the inspector for all applicable grading factors. In the case of wheat and most small grains, the sample is put through a dockage machine to remove the foreign matter that can be separated by use of appropriate sieves. Other factors that affect the grade are then determined. These include test weight per bushel, class, damaged

kernels, foreign material, shruken and broken kernels, etc. This grading information is then recorded on the Ship Loading Log. The Log presents a running summary of the quality of grain loaded.

Upon request, inspectors will show the different grading factors on the inspection certificate. Dockage will be stated in terms of whole percent. A fraction of a percent is disregarded.

*Prepared by FAS Grain & Feed Division April, 1959.